REMARKS

The Office Action dated October 3, 2005 has been received and carefully reviewed. The preceding amendments and the following remarks form a full and complete response thereto. Claims 1-2 were amended as to matters of form only. No new matter is added. Claims 1-16 and 18-21 remain pending in this application.

Claims 2-12 were rejected under 35 U.S.C. § 101 as failing to meet the "technological arts" prong. In view of In re Lundgren, Appeal No. 2003-2008 (BPAI 2005), this rejection is no long valid. Accordingly, the Applicant requests that the rejection under 35 U.S.C. § 101 be withdrawn.

Claims 1-16 and 18-21 were rejected under 35 U.S.C. § 112 as being indefinite. Namely, objection was made to the usage of "algorithm" throughout the claims. Applicants traverse the rejection and submit that claims 1-16 and 18-21 comply with the requirements of 35 U.S.C. § 112.

With respect to claim 1, the claim has been amended to clarify that the algorithm is being executed on the server. With respect to claim 3, Applicants submit that "average share volume" is a term of art and will readily be understood by one skilled in the art and therefore, claim 3 is not indefinite. With respect to claim 4, claim 2 is not limited to non-real-time data and therefore, Applicants submit that the rejection of claim 4 is improper. Accordingly, Applicants request withdrawal of the rejections of claims 1-16 and 18-21.

Claims 1-2 were rejected under 35 U.S.C. § "103(e)" [*sic*] as being "anticipated"
[*sic*] by Tilfors (6,405,180). Applicants are treating this rejection as if it were made
pursuant 103(a), and respectfully traverse the rejection and submit that claims 1-2
recite subject matter not disclosed by Tilfors.

Claim 1 defines a system for executing trades of securities according to
predefined trading strategies. The system includes a plurality of servers connected to a
plurality of clients over a communication network. Each server is programmed with a
specific trading strategy algorithm and is configured to receive a request for trading a
number of shares of a security and execute trade orders according to the specific
trading strategy algorithm and, through the algorithm, generates one or more
executable trade orders for carrying out the request. The executable trade orders (e.g.,
limit orders) are generated according to a specified trading strategy. Each client is
configured to generate a request for trading a number of shares of a security and
transmit the request over said communication network to a selected server of the
plurality that corresponds to the selected trading strategy. Claim 2 is a method claim
that recites similar but not necessarily identical features as claim 1.

In contrast to the present invention, Tilfors is directed to market maker systems,
which includes a market maker algorithm for producing a "tight spread." See col. 1,
line 64 – col. 2, line 5. Tilfors discloses use of a single security algorithm for the market
makers which appears to generate orders in response to market conditions in order to
add volume or adjust the price of a stock. Thus, Tilfors does not disclose a trading

strategy (e.g., VWAP) and instead, discloses market making techniques. Further, there is no suggestion for adding additional algorithms in the configuration as claimed in claims 1 and 2. The Examiner appears to be using the Applicants' disclosure as a means for suggesting the features clearly absent from Tilfors. Thus, Applicants submit that Tilfors fails to show or suggest each and every feature of claim 1-2. Accordingly, Applicants request that the rejection of claims 1-2 be withdrawn.

Claims 3-16 and 18-21 were not rejected over any prior art and therefore, should be allowable.

In view of the above, Applicants submit that claims 1-16 and 18-21 are in condition for allowance and request that each of claims 1-16 and 18-21 be allowed and this application passed to issue.

If for any reason the Examiner feels that the application still is not in condition for allowance, the Examiner is requested to contact, by telephone, the Applicant's undersigned attorney at the indicated telephone number to arrange for an interview to expedite the disposition of this application.

In the event that this paper is not timely filled, the Applicant respectfully petitions for an appropriate extension of time. Any fees for such an extension together with any additional fees may be charged to Counsel's Deposit Account No. 02-2135.

Respectfully submitted,

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